

'03 JUL 14 P1:01

STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Aaron S. Fujioka
Chief Procurement Officer

FROM: Chiyome L. Fukino, M.D., Director of Health
(Department/Division/Agency)

Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120 HAR, the Department requests a procurement exemption to purchase the following:

Description of goods, services, or construction:

The Hawaii Uninsured Project ("HUP") is a broad coalition of public and private stakeholders and community members whose purpose is to engage the legislature, providers, consumers, labor, and the University to develop a plan for our state which provides access to affordable health insurance for all citizens.

The HUP was initially developed under the HMSA Foundation, however the Foundation and the HUP Coalition decided that the Project should be independent from the foundation. The Hawaii Community Services Council ("HCSC") was selected by the HUP Coalition to manage and coordinate project goals for the HUP because they are an independent organization with substantial expertise and experience in supporting and facilitating public policy analysis. The HCSC, through their Hawaii Institute for Public Affairs Program ("HIPA"), has been managing and coordinating Phase I (assessment of present status); Phase II (survey of public and private options, analysis of existing data, coordinating policy summit); and Phase III (refining options through focus groups, prioritizing options) of the HUP mainly through a grant from The Robert Wood Johnson Foundation. Phase IV of the HUP (funded through the HRSA State Planning Grant and administered through HCSC), focuses on economic and policy research analyses of options for covering Hawaii's uninsured population and the intentional and unintentional social, political, and economic consequences of various combinations of strategies. Phase V of the HUP, which runs concurrently with Phase IV, is being funded through a three-year (January 1, 2003 to December 31, 2005) \$1,333,836 grant from The Robert Wood Johnson Foundation. Phase V, which involves planning and implementation of strategies to expand coverage for Hawaii's uninsured population, is administered through HIPA (P.E. No. 03-56-R).

A Request for Exemption (P.E. No. 02-58-R) to contract with HCSC for Phase IV of HUP was approved for the period July 1, 2002 through June 30, 2003. However, due to a recent one year no-cost extension granted by HRSA, the Family Health Services Division ("FHSD") would like to request approval to contract with HIPA utilizing the unobligated balance from the grant of approximately \$150,000 to assist in completing the outstanding objectives from Phase IV of the Project. The reason for the change in vendors is that the IRS has recently approved HIPA as a non-profit organization under section 501(c)(3) of the Internal Revenue Code, thus HIPA is now functioning independently from HCSC.

In addition to the State Planning Grant received from HRSA for Phase IV of the HUP, the FHSD is currently in the process of submitting an application to HRSA for supplemental grant funds to augment Phase IV of the HUP. The supplemental grant will allow States to enhance, refine and update the data gathering, analysis and planning processes already conducted with the previous State Planning Grant funds. These supplemental funds are for activities that the grantee now has identified as important to complete in order to assure that States obtain the best health insurance system for their citizens. These are activities that cannot be accomplished by reallocating remaining grant funds. The anticipated project period for the supplemental grant is from September 1, 2003 to August 31, 2004 with the possibility of a one-year no cost extension. In addition to contracting with HIPA for approximately \$150,000 in unobligated HRSA State Planning Grant funds, this request is to contract for an additional \$150,000 in anticipated supplemental grant funds.

Name of Vendor: Hawaii Institute for Public Affairs Address: 1001 Bishop St. ASB Tower, Suite 1132 Honolulu, HI 96813	Cost: \$300,000
--	---------------------------

Term of Contract: From: 09/01/03 To: 08/31/04 with the possibility of a one-year no cost extension.	Prior Exemption Ref. No. (P.E. No. 02-20-R) (P.E. No. 02-58-R) (P.E. No. 03-56-R)
--	--

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

It would not be practicable or advantageous for the State to procure services via the competitive procurement methodology for the following reasons: 1) HIPA has both the expertise and experience in supporting and facilitating public policy analysis for the Hawaii Uninsured Project—it has successfully managed Phases I-IV of the Project and is currently under contract to administer Phase V; 2) there are no other independent organizations which could be identified by the HUP Coalition who possesses both the experience and expertise in supporting and facilitating public policy analysis and dialogue.

Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

There were no independent organizations which could be identified by the HUP Coalition who possesses both the experience and expertise in supporting and facilitating public policy analysis and dialogue. Further, HIPA has successfully managed Phases I-IV of the Hawaii Uninsured Project and is currently under contract to administer Phase V.

A description of the agency's internal controls and approval requirements for the exempted procurement:
The Family Health Services Division shall administer the services provided by HIPA.

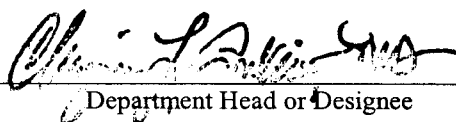
A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Loretta J. Fuddy, A.C.S.W., Chief, Family Health Services Division
Gordon Takaki, Public Health Administrative Officer

Direct questions to: Loretta J. Fuddy, A.C.S.W., Chief, Family Health Services Division	Phone Number: 586-4122
---	----------------------------------

This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: Yes ☐ No ☐

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE,
TRUE AND CORRECT.

 JUL 11 2003
Department Head or Designee Date

Title (If other than Department Head)

Chief Procurement Officer's Comments:

Please ensure adherence to applicable administrative requirements.

☒ APPROVED ☐ DISAPPROVED

 7/23/03
Chief Procurement Officer Date

cc: Administrator
State Procurement Office

STATE OF HAWAII
NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS

The Chief Procurement Officer is in the process of reviewing the request from the Department of Health for Exemption from Chapter 103D, HRS, for the following goods, services or construction:

The Hawaii Uninsured Project ("HUP") is a broad coalition of public and private stakeholders and community members whose purpose is to engage the legislature, providers, consumers, labor, and the University to develop a plan for our state which provides access to affordable health insurance for all citizens.

The HUP was initially developed under the HMSA Foundation, however the Foundation and the HUP Coalition decided that the Project should be independent from the foundation. The Hawaii Community Services Council ("HCSC") was selected by the HUP Coalition to manage and coordinate project goals for the HUP because they are an independent organization with substantial expertise and experience in supporting and facilitating public policy analysis. The HCSC, through their Hawaii Institute for Public Affairs Program ("HIPA"), has been managing and coordinating Phase I (assessment of present status); Phase II (survey of public and private options, analysis of existing data, coordinating policy summit); and Phase III (refining options through focus groups, prioritizing options) of the HUP mainly through a grant from The Robert Wood Johnson Foundation. Phase IV of the HUP (funded through the HRSA State Planning Grant and administered through HCSC), focuses on economic and policy research analyses of options for covering Hawaii's uninsured population and the intentional and unintentional social, political, and economic consequences of various combinations of strategies. Phase V of the HUP, which runs concurrently with Phase IV, is being funded through a three-year (January 1, 2003 to December 31, 2005) \$1,333,836 grant from The Robert Wood Johnson Foundation. Phase V, which involves planning and implementation of strategies to expand coverage for Hawaii's uninsured population, is administered through HIPA (P.E. No. 03-56-R).

A Request for Exemption (P.E. No. 02-58-R) to contract with HCSC for Phase IV of HUP was approved for the period July 1, 2002 through June 30, 2003. However, due to a recent one year no-cost extension granted by HRSA, the Family Health Services Division ("FHSD") would like to request approval to contract with HIPA utilizing the unobligated balance from the grant of approximately \$150,000 to assist in completing the outstanding objectives from Phase IV of the Project. The reason for the change in vendors is that the IRS has recently approved HIPA as a non-profit organization under section 501(c)(3) of the Internal Revenue Code, thus HIPA is now functioning independently from HCSC.

In addition to the State Planning Grant received from HRSA for Phase IV of the HUP, the FHSD is currently in the process of submitting an application to HRSA for supplemental grant funds to augment Phase IV of the HUP. The supplemental grant will allow States to enhance, refine and update the data gathering, analysis and planning processes already conducted with the previous State Planning Grant funds. These supplemental funds are for activities that the grantee now has identified as important to complete in order to assure that States obtain the best health insurance system for their citizens. These are activities that cannot be accomplished by reallocating remaining grant funds. The anticipated project period for the supplemental grant is from September 1, 2003 to August 31, 2004 with the possibility of a one-year no cost extension. In addition to contracting with HIPA for approximately \$150,000 in unobligated HRSA State Planning Grant funds, this request is to contract for an additional \$150,000 in anticipated supplemental grant funds.

Vendor: Hawaii Institute for Public Affairs

Address: 1001 Bishop St., ASB Tower, Suite 1132, Honolulu, Hawaii 96813

Term of Contract: September 1, 2003 to August 31, 2004, with the possibility of a one-year no cost extension.

Cost: \$300,000

